

ASSEMBLY BILL

No. 13

Introduced by Assembly Member Harman

December 2, 2002

An act to add Section 118.7 to the Streets and Highways Code, relating to the Department of Transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 13, as introduced, Harman. Department of Transportation: transfer of property.

Existing law provides that the Department of Transportation (hereafter Caltrans) has full possession and control of all state highways and all property and rights on property acquired for state highway purposes. Various provisions of existing law specifically provide for the acquisition, transfer, and use of Caltrans property.

This bill would authorize Caltrans to transfer property that is not part of the highway right-of-way to a nonprofit organization incorporated under the Nonprofit Corporation Law, subject to existing obligations regarding the property. The bill would authorize Caltrans to create an endowment in order to provide for maintenance of the transferred property.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 118.7 is added to the Streets and
2 Highways Code, to read:

1 118.7. (a) Notwithstanding any other provision of law,
2 subject to existing obligations, the department may transfer
3 property that is not part of the highway right-of-way to a nonprofit
4 organization incorporated under the Nonprofit Corporation Law
5 (Division 2 (commencing with Section 5000) of Title 1 of the
6 Corporations Code).

7 (b) If the department transfers property to a nonprofit
8 organization pursuant to subdivision (a), the department may
9 provide for establishment of an endowment that will enable the
10 nonprofit organization to provide for the maintenance of the
11 transferred property.

12 (c) For purposes of this section, “endowment” means a fund
13 established pursuant to terms that stipulate that the fund principal
14 remains inviolate and that only the income may be expended for
15 the purpose of maintaining or improving the property that is the
16 subject of the endowment.

